# Washington State House of Representatives Office of Program Research

# BILL ANALYSIS

## **Commerce & Gaming Committee**

## **SB 5903**

**Brief Description**: Restricting certain methods of selling marijuana.

**Sponsors**: Senators Bailey, Braun and Warnick.

## **Brief Summary of Bill**

- Prohibits the Liquor Control Board from issuing or renewing a marijuana retail license for any business that: (a) operates a drive-through sales facility; or (b) offers marijuana or marijuana products for sale through a vending machine.
- Makes it a misdemeanor for a marijuana retailer to operate a drive-through sales facility or offer marijuana for sale through a vending machine.

Hearing Date: 3/23/15

Staff: Thamas Osborn (786-7129).

#### Background:

Initiative Measure No. 502 (I-502) was a ballot measure approved by Washington voters in November of 2012 that: (a) legalized the production, processing, possession, and personal use of marijuana; (b) created a framework for a regulatory scheme to be further developed by the Liquor Control Board (LCB) through its rule-making authority; and (c) revised provisions in criminal statute to accommodate such legalization in accordance with the requirements of the initiative.

The scope of I-502 contained statutory provisions that include the following:

- legalizing the personal use and possession of up to 1 ounce of marijuana, as well as specified products directly related to such marijuana use;
- licensing and regulating marijuana production, distribution, and retailing;
- designating the LCB as the regulatory entity responsible for the implementation of the initiative, including continuing oversight over the commercial practices and conduct of licensed marijuana producers, processors, and retailers;

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

House Bill Analysis - 1 - SB 5903

- providing the LCB with rule-making authority regarding the development of the requisite regulatory scheme;
- implementing excise taxes on marijuana production, processing, and retailing;
- creating a dedicated marijuana fund for the collection and distribution of marijuanarelated tax revenues;
- deleting statutory provisions containing criminal and/or civil penalties for marijuanarelated activities authorized by I-502; and
- amending driving under the influence laws to include specific provisions pertaining to driving under the influence of marijuana.

Under I-502, and the rules adopted by the LCB, licensed retailers may sell marijuana and marijuana products to the public from premises approved by the LCB. There are no statutory or regulatory provisions governing the sale of marijuana from a vending machine or a drive-through facility.

### **Summary of Bill:**

The LCB may not issue, transfer, or renew a marijuana retail license for any business that: (a) operates, or intends to operate, a drive-through facility where marijuana or marijuana products are sold and/or dispensed through a window or door to a purchaser in a motor vehicle; or (b) offers, or intends to offer, marijuana or marijuana products for sale through a vending machine. It is unlawful to sell marijuana or marijuana products by either method, and violation of this prohibition is a misdemeanor.

**Appropriation**: None.

Fiscal Note: Not requested.

**Effective Date**: The bill takes effect 90 days after adjournment of the session in which the bill is passed.